



Proposed Norfolk Waterfront Resort and Casino Project

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The Proposed Pamunkey Waterfront Resort & Casino



The Proposed Destination Resort & Casino Project



- Located in Norfolk's Waterside District, immediately east of Harbor Park Stadium and south of Interstate 264, the planned \$500 million Resort will be the largest full-scale resort casino development in the region.
- The Resort will feature exceptional offerings and amenities, including many dining choices, a spa, and other entertainment options. It will be creatively themed and will draw a wide range of patrons who are looking for an excellent and varied entertainment experience. We intend to make the Resort the highest quality entertainment destination in the region.

The Pamunkey Waterfront Resort & Casino

GAMING

3,000

SLOT MACHINES

150

TABLE GAMES

PLUS SPORTS BOOK

HOTEL

300

ROOM

4

DIAMOND

FULL-SERVICE HOTEL TOWER

ENTERTAINMENT

25,000 ^{SF}

MULTI-PURPOSE
EVENT CENTER

2,500

CONCERT SEATS

WITH STATE-OF-THE-ART
LIGHTING & ACOUSTICS

The Pamunkey Waterfront Resort & Casino

FOOD & BEVERAGE

125 SEAT

SIGNATURE STEAK/
SEAFOOD RESTAURANT

175 SEAT

SPORTS BAR & GRILL

CENTER BAR / SERVICE BARS
GIFT / RETAIL SHOP

CAFÉ

24-HOUR COFFEE SHOP
DINING FRANCHISE

ADDITIONAL

DINING OUTLETS & BARS
SOME BRANDED

OTHER AMENITIES

**WORLD-CLASS SPA
& LUXURIOUS POOL**

The Pamunkey Waterfront Resort & Casino

PARKING

PARKING GARAGE

WITH OVER 3,500 SPACES OF WELL-LIT, SAFE,
SECURE PARKING

DEDICATED VIP PARKING AREAS,
MULTIPLE CHARGING STATIONS, &
PLENTY OF ACCESSIBILITY PARKING

VALET PARKING AT MAIN CASINO
ENTRANCE & HOTEL LOBBY ENTRANCE



Pamunkey Indian Tribe: Preferred Casino Gaming Operator Applicant

Pamunkey Tribal Gaming Authority

- The Pamunkey Indian Tribe is a Virginia Indian tribe recognized in House Joint Resolution No. 54 (1983). See Attachment A.
- The Tribe was also acknowledged by the Assistant Secretary-Indian Affairs for the U.S. Department of the Interior as a federally recognized Indian tribe within the meaning of federal law. See Attachment B.
- The Tribe retains the authority to conduct gaming activities as a matter of its retained inherent sovereign authority.
- The Tribe has a long history in the Virginia area, with archival records showing the existence of the Pamunkey Indian Tribe since the first visit of Captain John Smith in 1607, when the English settled Jamestown. See Attachment C for more on the Tribe's history and governance.

Gaming Authority

- The Tribe has established the Pamunkey Indian Tribal Gaming Authority as a wholly owned non-corporate entity of the Tribe to own and operate a gaming facility for the Tribe. The Gaming Authority serves an essential governmental function of the Tribe.
- The Authority is governed by a three-member board, a majority of whose members must be members of the Tribal Council. Currently, there are two members of the Tribal Council and one Tribal member serving on the Board. See Attachment D. All members must be eligible for a gaming license.
- The Gaming Authority will operate the facility in accordance with Virginia law and in an ordinary and customary commercial fashion.
- The Authority is empowered to do all things necessary for the acquisition, undertaking, financing, construction, maintenance, and operation of the Resort.



SELECTION CRITERION ONE

Potential Benefit and Prospective Revenues

Prospective Revenues

- The proposed Project will generate revenue for the community through the construction and operation of the Resort.
- Total annual revenues are estimated to be between \$415 million and \$485 million on a stabilized basis.*
 - Annual gaming revenues are estimated to be between \$350 and \$400 million on a stabilized basis.
 - Non-gaming revenues, which include revenues from the hotel, food & beverage, and other amenities (entertainment, retail, etc.), are estimated to be between \$65 million and \$85 million on a stabilized basis.
- Payments to the City of Norfolk in the form of direct payments and taxes are projected to be between \$26 million and \$31 million annually.

*Projections assume stabilized operations in year three of the subject project, as well as the third year of operation of all planned properties in the competitive market

(namely Portsmouth casino resort and the planned Chesapeake HHR facility).

Employment, Wages and Earnings

- The planned Resort is estimated to employ almost 2,500 people on a stabilized basis. Total annual wages for the planned Resort are projected to equal approximately \$84.3 million on a stabilized basis, or approximately \$34,000 per job. Tipped employees are projected to earn an additional \$15 million in tip income on a stabilized basis, bringing total direct earnings to nearly \$100 million and average annual earnings per job to \$40,000.
- The following table presents a breakdown of the estimated jobs and wages by category for the planned Resort.

Estimated Direct Employment & Earnings

CATEGORY	EMPLOYMENT	TOTAL WAGES	AVG. WAGES PER EMPLOYEE	TIPS	TOTAL EARNINGS	AVG. EARNINGS PER EMPLOYEE
GAMING	1,005	\$32,970,000	\$32,800	\$9,067,000	\$42,037,000	\$41,800
HOTEL	185	5,540,000	29,900	1,523,000	7,063,000	38,200
F & B	485	15,160,000	31,300	4,170,000	19,330,000	39,900
OTHER	55	1,830,000	33,300	220,000	2,050,000	37,300
A & G	130	6,720,000	51,700		6,720,000	51,700
SECURITY	200	7,330,000	36,700		7,330,000	36,700
MARKETING	165	6,730,000	40,800		6,730,000	40,800
P.O & M	255	7,980,000	31,300		7,980,000	31,300
TOTAL/AVERAGE	2,480	\$84,260,000	\$34,000	\$14,980,000	\$99,240,000	\$40,000

Source: KlasRobinson Q.E.D.

Employment, Wages and Earnings

- The proposed Resort will be one of the top 25 employers in the entire Hampton Roads Region and one of the top ten employers in the City of Norfolk, based on information provided by the Hampton Roads Economic Development Alliance.

Major Employers – Hampton Roads Region

<u>Rank</u>	<u>Major Employers</u>	<u>City</u>	<u>Product/Service</u>	<u>Employees</u>
1	Huntington Ingalls Industries, Inc.	Newport News	Shipbuilding & Repair	20,000+
2	Sentara Healthcare	Norfolk	Full-service Health Care Network	20,000+
3	Virginia Beach City Public Schools	Virginia Beach	Public Schools	12,000+
4	Norfolk Naval Shipyard	Portsmouth	Shipbuilding & Repair	10,000+
5	Riverside Health System	Newport News	Newport News	8,000+
6	Chesapeake City Public Schools	Chesapeake	Public Schools	7,000+
7	Norfolk City Public Schools	Norfolk	Public Schools	7,000+
8	Virginia Beach City	Virginia Beach	Municipal Government	7,000+
9	Chesapeake City	Chesapeake	Municipal Government	6,000+
10	Norfolk City	Norfolk	Municipal Government	6,000+
11	Newport News City Public Schools	Newport News	Public Schools	5,000+
12	Bon Secours Hampton Roads Health System	Suffolk	Hospital, Health Care Services	4,000+
13	Hampton City	Hampton	Municipal Government	4,000+
14	Newport News City	Newport News	Municipal Government	4,000+
15	Hampton City Public Schools	Hampton	Public Schools	3,000+
16	Old Dominion University	Norfolk	University	3,000+
17	Amerigroup - The Wellpoint Companies, Inc.	Norfolk	Healthcare Network Services	3,000+
18	Children's Health System (CHKD)	Norfolk	Hospital, Health Care Services	2,500+
19	Tidewater Community College (4 Campuses)	Norfolk	Community College System	2,500+
20	GEICO Direrct	Virginia Beach	Insurance	2,500+
21	College of William & Mary	Williamsburg	University	2,500+
*	Planned Norfolk Casino Complex	Norfolk	Entertainment	2,480
22	Chesapeake Regional Medical Center	Chesapeake	Hospital, Health Care Services	2,000+
23	Hampton Veteran's Affairs (VA) Medical Center	Hampton	Hospital, Health Care Services	2,000+
24	Portsmouth City Public Schools	Portsmouth	Public Schools	2,000+
25	Portsmouth City	Portsmouth	Municipal Government	2,000+

Source: Hampton Roads Economic Development Alliance and KlasRobinson Q.E.D.

- These jobs and associated earnings are directly related to the planned Resort and its associated ancillary facilities, including food-and-beverage outlets, hotel, entertainment, and retail areas. The previous estimates do not take into account additional jobs at area establishments including lodging, retail, gasoline, and other goods and services, which will result from an increase in area visitors attributed to the Resort.

Other Employment Benefits

- In addition to wages, the Resort will set aside additional funds for employee benefits to the estimated 2,480 employees, including health insurance, workers' compensation, retirement savings, and other employee benefits such as employee meals, uniforms, etc. Combined, other benefits are projected to equal more than \$15 million annually on a stabilized basis or over \$6,000 annually per employee.
- During construction and in all phases of the Resort Project, the Tribe and Golden Eagle will comply with Virginia law, including:
 - Paying prevailing wages for construction jobs;
 - Participating in apprenticeship programs certified by the U.S. Department of Labor or the Virginia Department of Labor and Industry;
 - Giving hiring preference to locals, veterans, women, and minorities; and
 - Requiring that subcontractors also meet these requirements.
- The Resort will enact hiring policies and procedures to provide strong opportunities for local residents and minorities, as well as superior training and benefits.

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Wage Reinvestment – Employment

- The following table is a summary of the estimated impact on employment from the planned Resort.

<u>Estimated Direct, Indirect and Induced Employment Impact</u>		
<u>Impact</u>	<u>City of Norfolk</u>	<u>Commonwealth of Virginia*</u>
Indirect Impact	1,313	1,460
Induced Impact	369	1,004
Total Multiplier	1,681	2,463
Direct Impact	2,480	2,480
Total Impact	4,161	4,943

*Includes the City of Norfolk

Source: KlasRobinson Q.E.D.

- *The figures in this table and those on pages 18-19 referring to indirect and induced impact apply the multiplier effect, which calculates an extension of the direct expenditures by the Resort and its patrons that is put back into the economy in the form of wages, taxes, and expenditures for goods and services. The effect is described more thoroughly in the KlasRobinson Q.E.D. market summary provided to the City.

Wage Reinvestment – Earnings

- The following table presents a summary of the annual estimated impact on personal income from the planned Resort.

<u>Estimated Direct, Indirect and Induced Earnings Impact</u>		
<u>Impact</u>	<u>City of Norfolk</u>	<u>Commonwealth of Virginia*</u>
Indirect Impact	\$70,423,000	\$80,882,000
Induced Impact	\$16,959,000	\$46,883,000
Total Multiplier	\$87,382,000	\$127,765,000
Direct Impact	\$99,250,000	\$99,250,000
Total Impact	\$186,632,000	\$227,015,000
*Includes the City of Norfolk		
Source: KlasRobinson Q.E.D.		

Wage Reinvestment – Output

- The following table presents a summary of the estimated impact on economic output from the planned Resort.

Estimated Annual Direct, Indirect and Induced Output Impact

<u>Impact</u>	<u>City of Norfolk</u>	<u>Commonwealth of Virginia*</u>
Indirect Impact	\$251,103,000	\$253,731,000
Induced Impact	\$52,622,000	\$145,941,000
Total Multiplier	\$303,725,000	\$399,672,000
Direct Impact	\$450,620,000	\$450,620,000
Total Impact	\$754,345,000	\$850,292,000

*Includes the City of Norfolk

Source: KlasRobinson Q.E.D.

Tourism

- The planned Resort is projected to accommodate an estimated 6.2 million visits annually on a stabilized basis or an estimated 17,000 visits per day. The actual visitation levels will fluctuate by time of day, day of week, and time of year.
- Not all the estimated 6.2 million visits will come from Norfolk, or even the Commonwealth of Virginia. An estimated 78 percent of visitors will originate from outside the city, including nearly 15 percent from outside of Virginia.

Increased Tourism Increases Hotel Stays

- The developer expects that many visitors to the Resort will stay in the hotel, and based on our market analysis and financial projections, the Resort's hotel is estimated to achieve a stabilized occupancy rate of 90 percent, which equates to 98,550 room-nights per year.
- The developers analysis shows that the Resort guests will not only generate a 90% stabilized occupancy rate at the Resort's hotel, but will also support an additional 1,400 hotel rooms nearby at an annual occupancy rate of 80 percent.
- These overnight casino guests will not only spend money at the planned Resort, but at area gas stations, retail establishments, and attractions.



SELECTION CRITERION TWO

Total Value of the Proposed Pamunkey Waterfront Resort & Casino

Project Highlights

THE RESORT WILL INCLUDE:

- A \$500 million, first-class casino resort development with 3,000 slot machines, 150 table games, a 300-unit connected hotel tower and commensurate facilities, services and amenities;
- Total annual revenues estimated to be between \$415 million and \$485 million, including gaming revenues of between \$350 million and \$400 million on a stabilized basis;
- Approximately 2,500 permanent employees with annual earnings of almost \$100 million;
- Between \$22.5 million and \$26 million annually to the City of Norfolk on a stabilized basis from the Gaming Proceeds Fund paid to the Commonwealth of Virginia by the Resort;
- Between \$3.7 million and \$4.8 million annually to the City in combined sales related taxes on a stabilized basis;
- Estimated annual purchases of \$92 million in goods and services for ongoing operations, including more than \$52.5 million from in-state vendors; and
- Estimated 6.2 million visits annually, 78 percent of which will originate from outside the City of Norfolk, including nearly 15 percent from outside of Virginia.

Gaming Proceeds Fund

- The new Virginia gaming law outlines a tax structure based on adjusted gross receipts on casino operations. This includes an allocation from the Gaming Proceeds Fund for the host city, which is as follows:
 - A rate of 6 percent on the first \$200 million of adjusted gross receipts;
 - A rate of 7 percent on adjusted gross receipts between \$200 and \$400 million; and
 - A rate of 8 percent on adjusted gross receipts that exceed \$400 million.
- Based on the estimates of gaming revenue presented above, the City of Norfolk will receive between \$22.5 million and \$26 million annually on a stabilized basis from the Gaming Proceeds Fund paid to the Commonwealth of Virginia by the proposed Resort.
- These funds are wholly separate from City taxes collected.

City Taxes

- The City of Norfolk has a variety of city taxes, which include a lodging/transient occupancy tax of 8 percent, a food-and-beverage tax—also called the Meals Tax—of 6.5 percent, and a sales tax of 1 percent. Based on estimates of non-gaming revenue presented above, the City of Norfolk will receive between \$1.6 million and \$2 million per year in lodging/transient taxes, between \$1.95 million and \$2.6 million per year in Meals Taxes, and between \$150,000 and \$200,000 per year in sales taxes on a stabilized basis.
- Combined, the Resort is estimated to generate between \$3.7 million and \$4.8 million for the City of Norfolk annually in sales-related taxes on a stabilized basis.
- When combined with proceeds from the Gaming Proceeds Fund , the City is projected to receive from \$26-31 million annually from the Resort.

SELECTION CRITERION THREE

**Proposed Capital
Investment & Financial
Health of Applicant and its
Developer Partner**

Projected Capital Investment Plan

- The new Virginia gaming law requires a minimum capital investment of \$300 million. We supported that minimum threshold during session and plan not just to meet that minimum requirement but to invest according to our broader mission of having the regions premier resort and casino:

Resort and Casino Project \$400 million

FF&E and related soft costs \$100 million

Total \$500 million*

* Note that these amounts do not include costs spent to date, additional soft costs, or costs related to the permanent financing.

Financial Health

- Golden Eagle, the Tribe's development partner, is backed by Jon Yarbrough and Yarbrough Capital.
- Yarbrough Capital is a private investment firm founded on 35 years of entrepreneurial success.
- The firm manages approximately \$2.4 billion of investable assets, is actively engaged in a broad range of investment activities, and is globally diversified across asset classes, including:
 - Private Securities (stocks, bonds, etc.);
 - Private Equity;
 - Private Debt;
 - Venture Capital;
 - Hedge Funds; and
 - Real Estate.
- Yarbrough Capital is focused on using its financial strength, flexibility, and unconstrained investment horizon to maximize value over the long term, both with its investment in the Pamunkey Waterfront Resort Casino and beyond.
- In addition to investing, philanthropy is central to the firm's philosophy. The Yarbrough Family Foundation supports a growing number of non-profit organizations and worthy causes.
- Yarbrough Capital and Golden Eagle are committed to the Pamunkey Indian Tribe and bringing a world-class resort to the City of Norfolk that will be the benchmark of excellence.



SELECTION CRITERION FOUR

Casino Gaming Experience

Overview

- The Pamunkey Indian Tribe has engaged Golden Eagle to provide the financial, development, and management expertise necessary to deliver a world-class project to the City of Norfolk.
- Led by Jon Yarbrough, the Golden Eagle Executive Team brings decades of know-how, experience, and expertise to developing and operating a best-in-class organization and resort casino.
- With the backing of Jon Yarbrough and Yarbrough Capital, Golden Eagle is the perfect partner and fit—not just for the Pamunkey Indian Tribe but also for the City of Norfolk—to deliver the absolute best resort and casino.
- The City of Norfolk has selected the Tribe as our preferred casino developer and is confident that they can bring a world class resort hotel and casino to the City of Norfolk.

Key Golden Eagle Executives



Jon Yarbrough

President and Chief Executive Officer, Golden Eagle Consulting II, LLC

Jon Yarbrough, Sr. is an accomplished entrepreneur, casino gaming executive, and investor living in Franklin, TN with his family and wife of 30 years.

In 1991, Jon founded Video Gaming Technologies, Inc. and grew it to become the number one provider of gaming machine technology and content to American Indian tribes, as well as the largest privately owned gaming machine owner and manufacturer in the U.S. He credits his success to hiring top talent, emphasizing innovation, and inspiring his team to strive for excellence. He remained its sole owner and CEO until selling to publicly traded Aristocrat Technologies in 2014 for \$1.4 billion. Before selling VGT, the company employed over 650 employees, including 250 engineering, game development, and IT personnel at offices in the Charlottesville, VA area.

Key Golden Eagle Executives

Jon Yarbrough's Experience

- While earning an Engineering degree from Tennessee Technological University, Jon spent a year working as an engineering intern at NASA Langley Research Center in Virginia. While working at NASA and living in Poquoson, VA, he purchased a coin-operated foosball machine. By the time Jon graduated from Tennessee Tech University in 1981 with a degree in Industrial Engineering, he had started his foosball table and video game machine company, later incorporating as Video Gaming Technologies (VGT).
- In 2005, VGT was recognized by Inc. Magazine as #1 on their list of the U.S.A.'s 500 fastest growing private companies. In 2006, Jon was presented with the "National Entrepreneur of the Year" award in the media and telecommunications category by Ernst & Young's Master of Ceremonies, Jay Leno.
- In 2013, the Governor of Oklahoma presented Jon with the prestigious Achievement and Excellence awards as CEO of VGT, which at the time was the first company in Oklahoma to receive the top tier "Excellence" award in 5 years.
- In 2014, Jon was inducted into the Nashville Entrepreneur Center's "Nashville Entrepreneur Hall of Fame."
- As a gaming company CEO engaged in regulated gaming in multiple jurisdictions, Jon has been licensed by dozens of Indian tribes as well the States of Illinois, Louisiana, and Oklahoma.

Key Golden Eagle Executives



John Thompson

Golden Eagle Consulting II, LLC

John Thompson is a former New York securities lawyer and investment banker who, after leaving Wall Street nearly two decades ago, has financed and developed several signature resort and gaming properties across the continent.

He has financed and/or developed high-end resort casinos in New York, Arizona, Oregon, Mississippi, New Mexico, California, and Canada, including several highly successful greenfield developments.

John has extensive experience identifying and assembling top-tier resort casino management teams and will bring this expertise to the Pamunkey Waterfront Resort Casino.

Fluent in Spanish, John studied law in Buenos Aires, and he holds Plan II and J.D. degrees from The University of Texas at Austin. John lives in Dallas, Texas with his wife and three boys.



SELECTION CRITERION FIVE

Security Plan

Security Plan

- Nothing is more important to our core philosophy or the success of the Resort than the safety and security of our patrons, our team members, and our local community.
- Our highly trained security executives and personnel will be subject to the highest standards of professional excellence and will be called upon not only to protect and serve the people and assets involved, but also to be ambassadors for the Resort, the Tribe, and the City.
- Security of a modern resort and casino involves multiple disciplines, encompassing the physical, the technological, the intangible, and more. We will require our security personnel to:
 - Be highly skilled and experienced at core security operations;
 - Exercise discretion and good judgment;
 - Be personable and engaging; and
 - Always be willing to put themselves at risk when necessary to keep others safe.
- Additionally, our team will make use of leading- edge security and surveillance technology, including facial recognition, high-frequency sensors in equipment like tables and chips, and AI to combat cyberfraud and other bad acts.
- In an age of pandemic, our security team will be on the front line as we employ the latest technology to keep our customers and team members healthy, including temperature checks, screening and testing, and proper spacing on the gaming floor and other busy areas.
- As more information goes online and is tied up in networks, we will remain hypervigilant and invest all necessary resources to make sure our systems and our customers' and team members' information is protected.
- Our senior management and security executives will work closely with local and federal law enforcement at all times to ensure the complete safety of our patrons and team members. We also intend to employ off-duty public-safety and law-enforcement personnel licensed in the Commonwealth of Virginia in addition to our full-time security personnel.

Confidential



SELECTION CRITERION SIX

Economic Development Value and Potential for Community Reinvestment and Redevelopment

Economic Development and Reinvestment Potential



- The Resort will be a powerful engine of economic growth and an anchor for future development in downtown Norfolk and more broadly for the region.
- In addition to approximately \$30 million in annual revenue paid to the City, the Resort will generate thousands of well-paying jobs with benefits while reinvesting in the local community.
- These and other factors mean the Pamunkey Indian Tribe's partnership with the City will facilitate further community investment and redevelopment and will directly help the City of Norfolk implement its plans for growth and revitalization.



SELECTION CRITERION SEVEN

Availability of City and Privately Owned Assets